

U.S. DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
Washington, D.C 20250

MANUAL            ISSUE No.  
WSAL             PN 486  
DATE  
May 19, 2016

## PROCEDURE NOTICE

### RD MANUAL CHANGES

INSERT RD INS 440.1  
(WSAL)

INTEREST RATES, AMORTIZATION,  
GUARANTEE FEE, ANNUAL CHARGE, AND  
FIXED PERIOD. This Instruction is  
partially revised as follows:

Exhibit B, to update various program rates and the Treasury Judgement Rate  
effective January 1, 2016.

REMOVE  
Exhibit B: Pages 1 & 2 (Rev 82).

INSERT  
Exhibit B: Pages 1 & 2 (Rev 83).

INSERT RD INS 1951-0  
(WSAL)

SERVICING CASES WHERE UNAUTHORIZED LOAN(S)  
OR OTHER FINANCIAL ASSISTANCE WAS RECEIVED-  
COMMUNITY AND INSURED BUSINESS PROGRAMS. Exhibit B is partially revised to  
update program interest rates, effective July 1, 2015.

REMOVE  
Exhibit B: Pages 3 & 4 .

INSERT  
Exhibit B: Pages 3 & 4 (Rev 1).

### RD HANDBOOK CHANGES

INSERT RD HB \*  
(WSAL)

In the following Handbooks, Appendix 6  
is completely revised to include the  
FY 2015 interest rate for unauthorized  
assistance.

\* Number  
HB-1-3550

Title  
DIRECT SINGLE FAMILY HOUSING LOANS AND GRANTS FIELD  
OFFICE HANDBOOK.

HB-2-3550

DIRECT SINGLE FAMILY HOUSING LOANS AND GRANTS  
CENTRALIZED SERVICING CENTER HANDBOOK.

RD HANDBOOK CHANGES

INSERT RD HB-1-3550 (Con.)  
(WSAL)

**Appendix 1:**

**These changes reflect the final rule on the certified loan application packaging process, which was published in the Federal Register (FR) on April 29, 2015 (80 FR 23673). Although the original effective was deferred, the final rule's effective date is May 19, 2016 (as announced in 81 FR 8389 dated February 19, 2016).**

Section 3550.10 is amended to add definitions for an Agency-approved intermediary, an Agency-certified loan application packager, the national average area loan limit, and for a qualified employer.

Section 3550.52(d)(6), packaging fees resulting from the certified loan application packaging process outlined in § 3550.75. The fee may not exceed two percent of the national average area loan limit as determined by the Agency and may be limited further at the Agency's discretion. Nominal packaging fees not resulting from the certified loan application process are an eligible cost provided the fee is no more than \$350; the loan application packager is a nonprofit, tax exempt partner that received an exception to all or part of the requirements outlined in § 3550.75 from the applicable Rural Development State Director; and the packager gathers and submits the information needed for the Agency to determine if the applicant is preliminarily eligible along with a fully completed and signed uniform residential loan application.

Section 3550.55(c)(5), Applications from applicants who do not qualify for priority consideration in paragraphs (c)(1), (c)(2), (c)(3), or (c)(4) of this section will be selected for processing after all applications with priority status have been processed. The Administrator may temporarily reclassify applications received through the certified loan application packaging process as fourth priority when determined appropriate.

Section 3550.75 is added to describe the certified loan application packaging process.

REMOVE

Appendix 1 dated 01-23-03:  
Pages 1 thru 10,  
13 thru 20, 25 thru 28,  
35 & 36, 55 thru 98; and  
Appendix 6 dated 01-23-03:  
Page 7.

INSERT

Appendix 1 dated 01-23-03:  
Pages 1 thru 10,  
13 thru 20, 25 thru 28,  
35 & 36, 55 thru 98 revised; and  
Appendix 6 dated 01-23-03:  
Page 7 revised 05-19-16.

RD HANDBOOK CHANGES

INSERT RD HB-1-3565  
(WSAL)

GUARANTEED RURAL RENTAL HOUSING PROGRAM  
ORIGINATION AND SERVICING HANDBOOK. This  
Handbook is partially revised. Specific  
revisions include:

**Chapter 7:**

Attachment 7-A, to address findings from the FY 2015 Management Control Review. Changes include adding a new section regarding the Loan Modification, Interest Rate Reduction process; clarifying reporting and reviewing of annual financial statements; providing guidance on monetary and non-monetary defaults; the process of terminating a guarantee; and clarifying that reporting documents do not need to be sent to the Finance Office in St. Louis.

REMOVE

Table of Contents:  
Pages 9 & 10;  
Chapter 7 dated 02-23-12:  
Pages 7-1 thru 7-24,  
Attachment 7-A.

INSERT

Table of Contents:  
Pages 9 & 10 revised;  
Chapter 7 dated 02-23-12:  
Pages 7-1 thru 7-25 revised,  
Attachment 7-A revised 05-19-16.

NO SPECIAL PROCEDURE NOTICES RELEASED.

ADMINISTRATIVE NOTICES RELEASED:

(See AN Checklist)

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